

HUGHES IS HEAD OF SUPREME COURT

Hughes Is Held Back Until He Gets More Experience as a Justice.

ONE DEMOCRAT LANDS ON BENCH

Washington, D. C., Dec. 12.—The president today sent to the senate these nominations: To be chief justice of the United States supreme court, associate justice Douglas White, of Louisiana.

To be associate justices, United States supreme court, judge Willis Vandeventer, of Wyoming, and judge Joseph Rucker Lamar, of Georgia.

To be judges of the new court of commerce—Martin A. Knapp, now chairman of the interstate commerce commission, for a term of five years; Robert W. Archbold, now United States district judge for the middle district of Pennsylvania, for a term of four years; William H. Hunt, now judge of the court of customs appeals, formerly United States district judge in the district of Montana, for a term of three years; John Emmett Carland, of South Dakota, for a term of two years; Julian W. Mack, now judge of the appellate court of the first Illinois district, for a term of one year.

Members of the interstate commerce commission, B. H. Meyer, of Wisconsin, and C. C. McShore, of Kentucky.

The appointments to the interstate commerce commission are to fill the vacancies caused by the elevation of Mr. Knapp and the forthcoming retirement of former senator Francis M. Cockrell, of Missouri.

The members of the new commerce court are designated as additional circuit judges. Judge Carland, of South Dakota, is a Democrat. His appointment makes the complexion of the commerce court three Republicans and two Democrats.

Edward Douglas White, of Louisiana, an associate justice of the supreme court, was confirmed today by the senate to be chief justice of the court. The confirmation of the two newly appointed associate justices will follow later.

Justice White, just made chief justice, has been on the supreme bench for 16 years and is now the oldest justice in the court. His age is less than 70. He graduated from Georgetown university. In addition to practicing law in Louisiana, he was a sugar planter. He served in the Louisiana legislature as a senator, served for several years on the state supreme court bench and subsequently was elected to the United States senate.

He was serving his first term in that body when president Cleveland appointed him to the supreme court.

The New Associate Judges.

Judge Vandeventer, one of president Taft's selections as an associate justice, participated in the now famous Standard Oil decision rendered in the eighth circuit. Mr. Taft debated for some time as to the propriety of taking a judge from this circuit and elevating him to the supreme bench, where he must pass again upon these cases. It is said to have been secretary Knox's influence which finally turned the tide in favor of Judge Vandeventer as against judge William C. Hook, also of the eighth circuit.

Judge Lamar, of Georgia, a Democrat, one of the justices selected, has personally been known to the president for several years. Mr. Taft early decided that one of the associate justices should be a Democrat. Judge Lamar served two and a half years on the supreme court of Georgia, and now is a leading member of the southern bar.

His appointment will bring the Democratic representation on the supreme court up to three members, the others being the new chief justices and Mr. Justice Leighton, of Tennessee. The total membership of the court is nine.

Argument Against Hughes.

It had been generally understood that justice Charles E. Hughes was slated for the honor of chief justice.

In the last two or three days, however, it became known that a change in the head of the supreme court slate might be made.

Some of the president's closest advisers argued with him that justice Hughes's experience at the bar had not been sufficient to warrant his promotion at this time to the highest judicial position in the country. They claimed that Mr. Hughes's reputation as a lawyer had been gained primarily by his conduct of two legislative investigations.

They agreed with the president that everything pointed to a most brilliant career on the bench for the former governor. At the same time they offer the argument that justice Hughes was the youngest man on the bench and that his opportunity for promotion would come later when he would have the advantage of maturing experience.

It is seen that the president sees in Mr. Hughes the qualities that he believes essential in a chief justice. Young, vigorous, possessing great executive ability and with progressive ideas, Mr. Hughes was looked upon as the man who could do much to bring about reform in judicial procedure in this country.

NEW CONSUL IN NARVES CHIHUAHUA.

Washington, D. C., Dec. 12.—The president today nominated Marion Letcher of Georgia as consul at Chihuahua, Mexico.

L. J. Kenna is now serving as consul at that place.

THREE ARE INJURED

San Antonio, Texas, Dec. 12.—Dorby Martin, driver, had his wrist broken; T. N. Hodges's shoulder was dislocated and his body bruised, and Sullivan Hunt was badly bruised when their auto crashed into telephone pole this morning. The machine was wrecked.

BANKING IS CONDUCTED HONESTLY

Controller of Treasury Says Funds of People Are Well Protected.

ALL HONEST BANKS ARE MAKING MONEY

Washington, D. C., Dec. 12.—Another year of prosperity and solid growth for the banks of the United States is recorded in the annual report of the controller of the currency, presented to congress today.

Not only the national banks, which come directly under the control and supervision of the currency bureau, are included in the review of banking conditions, but state banks, savings banks, trust companies and other financial institutions—some 15,950 others—are represented.

During the fiscal year of 1910, the combined resources of the 7000 national banks of the United States grew to approximately \$1,000,000,000. On September 1, last, their loans and discounts had reached \$5,400,000,000—an amount never before equaled in the history of the national banking system since its creation in 1863. At the same time, they were counting nearly \$20,000,000 of overdrafts in their assets, a practice which there is no law to stop.

Rapid Growth of Banks. Combining all other banks in the United States and its island possessions with those of the national system and allowing an estimate for those not reported, it is evident from the controller's report that the banking power of the United States for the year ended on September 30, with capital of \$1,150,000,000 and individual deposits of \$7,538,000,000 to more than 27,000 banks with combined capital of \$2,000,000,000, and individual deposits of nearly \$16,000,000,000. The deposits have more than doubled in little more than a decade and in the same time the combined loans and discounts have grown to more than \$5,000,000,000.

Heavy Volume of Business. The volume of business as reflected in reports from 137 clearing house exchanges showing combined clearings of \$1,200,000,000 for the year ended on September 30, as against \$1,155,000,000 for 1909. With the exceptions of Cincinnati, Houston, Texas, Greensburg, Pennsylvania, Fremont, Neb., Franklin, Pa., Central Springs, Colo., and Vincennes, Miss., the year showed an increased volume of business transacted.

The New York clearing house association represented 60 percent of the clearings of all associations of the country and in the current year has reached \$102,000,000, some \$3,000,000 greater than in 1909. For these enormous transactions balances of only little more than \$4,000,000,000 were used.

Only Four Failures. Four actual national bank failures marked the year. Final settlement of the affairs of 15 insolvent banks was made in which depositors received nearly 86 percent. These administrations were made at an average cost of about five percent on the collections. From the net of the first failure in 1909, \$14 national banks have been placed in the hands of receivers and 25 of them have been restored to solvency. More than \$3,000,000 in dividends was passed to depositors of insolvent banks during the year.

Banks' Big Earnings. On the whole, it appears from the report that national banking conservatively conducted is a profitable enterprise. The net income of the 7000 national banks during the year were more than \$154,000,000, from which dividends of \$105,000,000 were paid—at the rate of more than 10 percent on their capital. The government, too, has profited from the existence of the national association, for since their beginning it has received more than \$202,000,000, of which more than 92 percent has been for circulation tax on the bank notes they issued.

Few Lava Violated. With the exception of banks which have become insolvent as a result of defalcations or other dishonesty, failures have been almost entirely due to incompetent or reckless management, the report says, and persistent violations of the national banking laws and the practices governing conservative banking.

A large percentage of the banks that have failed should have gone into voluntary liquidation before they reached the conditions which precipitated the failure, said comptroller Murray. The report leaves no room to doubt that it is the intention of the present administration to rid the national banking system of weak banks by guiding them into voluntary liquidation, a commission with stronger institutions wherever possible or to discontinue business as a last resort, where there is no probability other than failure. In this way the controller believes depositors can be kept from being deceived and escape the double liability.

Weak Banks Quit. During the year, 115 national banks went into voluntary liquidation, many of them yielding to that policy, some were absorbed, others consolidated; many left the national banking field and continued as state organizations and some discontinued business altogether.

"It is the purpose," the report says, "to get out of the national banking system every bank which is managed in such a careless, reckless, and speculative or incompetent manner as to endanger the safety of its depositors."

National banks, of course, provide the principal market for United States bonds. Their investments in these securities have increased \$10,000,000 in the last year and they now hold \$730,000,000 of these bonds, of which approximately \$700,000,000 are two percents.

Rapid Growth. Clearly it is evident that the national banking system has experienced its greatest growth in the last ten years. More than half the national banks now

INSURRECTOS ROB MORMON FARMER

Take \$250 From Him, First Instance of Americans Being Molested.

THEY HOLD TOWN OF NAMAQUIPA

Colonia Dublan, Chih., Mex., Dec. 12.—N. C. Thompson and companion have just returned from a trip in the Namaquipa valley, and they say that whole country is all under the control of the insurrectos. They left Janos, their home, but they were overtaken and relieved of \$250 by the insurrectos. This is the first report of the molestation of Americans.

He says that each of the stores in Namaquipa had to pay a tax of \$400 for the privilege of doing business. This town was captured November 23 by insurrectos. One merchant, Parrillano Barrero, refused to pay the \$400, and instead locked up his store and turned his attention to other interests, and was unmolested.

On the return of Mr. and Mrs. Thompson they loaded up with apples, and when they reached El Valle they were held up for four hours while the federal officers were determining whether they were carrying supplies to the insurrectos or not. He says the greater number of the people in that section are against the insurrectos, but whether they are practicing the scriptural injunction to "agree with thine adversary while in his company" is impossible to say.

Prosecution for violation of the anti-trust law was general in the work of the year. Actions, says the attorney general, are now under way or pending against the following so-called trusts: Tobacco trust. Standard Oil company. Sugar trust. Harriman lines. Hard Coal trust. Powder trust. Terminal Railway association of St. Louis.

Towing trust, on the Great Lakes. James A. Patton and others for an alleged corner in cotton. Beef trust. Wholesale Grocers trust. Butter and Egg trust. Brick trust. Bath Tub trust.

The Year's Convictions. The following convictions were secured and fines imposed during the year:

Paper trust, fined \$57,000. Night Riders, fined \$3500. Window glass trust, fined \$10,000. After the attorney general's report came from the press, however, the American Naval Stores company, known as the Turpentine trust, and six defendants, were convicted of violations of the anti-trust law. Two of the individual defendants sentenced to three months each in jail and fines aggregating \$17,500 were imposed.

Prosecutions of the Sugar trust for fraud upon the government in the weighing of raw sugar recovered the government \$3,125,363.88. Convictions and sentences of individuals, still fresh in the public mind, were secured.

The Customs Frauds. Most extensive of all frauds against the government yet discovered, are those in the undervaluations of imports into the United States. The extent of the treasury losses can only be conjectured. Every step of the investigation shows fresh leads.

There are now suits under way to recover \$700,000 of which the customs revenues is said to have been defrauded. The net gain of the first failure in 1909, \$14 national banks have been placed in the hands of receivers and 25 of them have been restored to solvency. More than \$3,000,000 in dividends was passed to depositors of insolvent banks during the year.

More than 30 individual indictments are pending against persons charged with smuggling with "sleeper trunks." Offers of compromise and prayers for immunity are in the hands of the attorney general.

Lux Administration Officers. "The conditions disclosed seem to indicate a very general practice of undervaluations," says the attorney general, "and a very lax administration of the customs laws in the past, which has subjected the government to a very material loss of revenue. A general investigation into the subject of frauds by undervaluation has only commenced, and this branch of the subject will now be pressed vigorously."

The attorney general recommends that a general immunity statute, such as exists under the interstate commerce laws, should be enacted to apply to criminal prosecutions generally, but says such a statute should only protect a witness from the consequences of the testimony he is about to give.

Twenty-five criminal indictments charging rebating and other illegal discriminations are pending against railroads, private corporations and individuals. Two convictions with fines were secured during the year.

Land Frauds Large. Land frauds are probably entitled to place with the customs frauds and violations of the anti-trust law. The department won signal victories during the year against unlawful fencing of the public domain. In 38 civil suits and 28 criminal prosecutions more than 400,000 acres of land illegally fenced were restored to the government.

Prosecutions against the Oregon & California Railroad company and 45 other defendants to recover 2,300,000 acres of land valued at \$60,000,000 which the government claims are illegally held, are now pending. There are also under way 24 suits against the Central Pacific Railway company and others to recover thousands of acres of valuable lands, which the government contends were illegally patented, probably with the private knowledge that they were valuable for the mineral and oils underneath.

Closing Bucket Shops. In the department's campaign against bucket shops, 350 such places were

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A. P. MAN GOES TO THE FRONT

Cavalry, Artillery and Red Cross Nurses Sent West of Chihuahua.

C. D. Hagerty, the Associated Press war correspondent, departed Sunday night from Chihuahua for the scene of trouble for the second time. He expects to arrive at Piedra Blanca before an engagement. Mr. Hagerty was accompanied by C. C. Harris, a photographer. Mrs. Hagerty has arrived from Chicago and will await her husband at the city of Chihuahua.

Chihuahua as a base of military operations is the scene of the old residents of the days of Gen. Juarez and Diaz. Troop trains are arriving from the south, bearing cavalry, infantry and equipment. A trainload arrived Saturday evening, according to Americans who came from the Mexican city Sunday morning. These troops included 500 cavalry with their mounts and, as soon as they were unloaded, they marched through the streets and to the barracks, where they were quartered.

A carload of Red Cross nurses was sent from Chihuahua Saturday on the Chihuahua & Pacific road. Their exact destination was not known, but it is thought that they will be scattered over the country where the fighting is expected to occur this week.

Reports of incipient fighting west of Chihuahua were also brought to El Paso by passengers on the Mexican Central trains.

YAQUIS SAID TO BE ON WARPATH

Mexican Officer Questions El Paso as to Their Whereabouts.

Returning from a trip in the vicinity of Moctezuma, Mexico, judge L. H. Davis of El Paso was closely questioned Saturday night by a Mexican officer on the train en route to El Paso as to the truth of reports that Yaqui Indians are in arms near Moctezuma. The officer told the judge that he had been informed at several places that the Yaquis were in arms, 40 miles west of Moctezuma. In the insurgent cause, Judge Davis says he was in the mountains just about 40 miles west of Moctezuma and that he neither heard nor saw any Indians or any other armed men of any description. The officer appeared to have faith in the report that the Indians were active, however, Judge Davis says.

ADDITIONAL TROOPS

Parral, Mex., Dec. 12.—A special train arrived here bearing 200 men and horses from Mexico City. The troops will be stationed here permanently.

FOUND ALL QUIET ON THE BATTLEFIELD

J. J. Mundy and wife are back from Chihuahua. They took a carriage ride Saturday out to Fresno, eight miles west of town, and passed over the battlefield where the regulars and the insurrectos fought two weeks ago and found all quiet there a present.

WAR CORRESPONDENT HERE

A Rivera de la Torre of the editorial staff of El Pais, a daily of Mexico City, is in El Paso. Mr. de la Torre has been sent out to cover the insurrectionary disorders in Chihuahua. He has just completed an investigation in the city of Chihuahua and is here on a special matter of information.

Ojinaga, Mulatos and Presidio All Reported in Danger of Capture by the Insurrectos on Last Information Received at Marfa From The Mexican Border. Ojinaga Not Attacked Saturday Night or Sunday Early.

Marfa, Texas, Dec. 12.—Whether Ojinaga has fallen into insurgent hands as yet is not known, but the last advice from there, received on Sunday, said the insurrectos had marched off up the river and had not attacked the town, although they gave two ultimatums to the mayor to send the women and children away and were amply capable of taking the place, as there are no Mexican troops there.

Mulatos and Presidio have also been threatened and may have been taken. The revolutionists sent their second ultimatum to the mayor of Ojinaga Saturday afternoon and said they would attack Sunday morning, but they did not make the attack. Nothing has been heard from there since that time.

STEAMER AGROUND ON ALASKA COAST

Many Passengers Aboard But All Are Saved—Aid Is Sent.

Valdez, Alaska, Dec. 12.—All passengers on the wrecked steamer Olympia have been saved. Some of them were brought here by the government launch Fort Liscom and others were safely hoisted at Ellwood farm, near Marlin City. The passengers were taken off at 4 o'clock Saturday afternoon, together with the mail and baggage. It is feared, however, that the vessel will be a total loss.

Among those who sailed from night. Among those who sailed from here for Valdez and Seward are United States district judge E. E. Cushman and wife and members of the third district court, who are on their way to Valdez to hold court. The crew of the Olympia consists of 54 officers and men, captain J. Daniels being in command.

The Olympia sailed from Cordova at 6 o'clock Saturday night, having arrived from Seattle earlier in the day. Although the night was clear and a full moon shed a bright light, navigation was made dangerous by a 50 mile gale, which was blowing from the north. Between 12 and 1 o'clock Sunday morning the operator on duty at the navy wireless station picked up the distress signal of the Olympia. He answered at once.

Operator Hayes on the Olympia then sent an appeal for help, saying that the Olympia had struck on Bligh island and was in an exposed position. Heavy seas were breaking over her, making the position of those on board all members of the Olympia's court. The message from the Olympia was received with difficulty.

Men in charge of the naval wireless station express the opinion that the grounding of the vessel had in some way caused a short circuit which interfered with the sending of the wireless messages from the steamer.

It was necessary to telephone to Ketchikan, 50 miles east of here, to get a boat that could go to the assistance of the Olympia's people. The launch Corsair left Katala early Sunday morning. Word was also sent to Seward, to the westward, to dispatch the mail steamer Dora to the Olympia's assistance. The Dora was due at Seward early Sunday and should already be on the way to Bligh island.

Included in the passengers of the Olympia when she sailed from here Sunday night were United States district judge E. E. Cushman and wife, secretary I. H. Hamberger, wife and two children; district attorney George R. Walker, assistant district attorneys Guy Brubaker and J. L. Green, stenographer Don Stewart, clerk of court L. M. Lakin, deputy clerk Thomas S. Scott, stenographer J. Hamilton, deputy marshal J. H. D. House and Brown, all members of the Olympia's court.

The Olympia carries wireless apparatus and it was due to the coolness and nerve of operator Hayes, who stuck to his post and worked under the greatest difficulties, that calls for admiration reached the naval station at Cordova and the peril of the passengers was made known.

FIGHTING FOR A RACER'S MILLIONS

Los Angeles, Cal., Dec. 12.—The fight of Beatrice Anita Baldwin Turnbull for two-thirds of the \$11,000,000 estate of the late E. J. (Lucky) Baldwin began before Judge Rives and a jury in the superior court today. The contestant in this case is 17 years and has a birth certificate on record here gives her mother's name as Lillian A. Ashley and her father's name as Elias Jackson Baldwin.

It is claimed that Mrs. Ashley and Baldwin were living under what the former at the time supposed was a common law marriage, under an agreement the original of which is said to be in the hands of H. A. Unruh, executor of the Baldwin estate.

The distribution of the estate of the heirs, which was about to be made, is now tied up indefinitely.

GUN FIRED; MAN IS WOUNDED; NO ARREST

Andrew Ellis, a local contractor, who was arrested Saturday night following a disturbance in the Bank saloon, has been released from the police station on a \$10 bond. A charge of disturbing the peace has been registered. During the disturbance in the saloon Ellis sustained a severe wound on the back of his head and was treated at the police station. A revolver was discharged during the trouble, the bullet entering the floor. The gun, however, also the man with whom Ellis is said to have engaged in the difficulty, disappeared before the police arrived. The police do not know his name.

BUCKNER UNDECIDED

Dallas, Texas, Dec. 12.—Murrell L. Buckner, secretary of the state Democratic committee, who has been appointed state grand juror, has declined the position, and today he is undecided about accepting the appointment, and will consider the matter for a few days.

McBRIDE ON STAND

Dallas, Texas, Dec. 12.—L. C. McBride, receiver of the Western Bank and Trust company, was on the witness stand today in the trial of Fred Fleming, former president of the bank, charged with receiving deposits, knowing the bank to be insolvent.

TROOPS SENT TO OJINAGA SUNDAY

More Troops Also Sent Northwest of Chihuahua to Fight Insurrectos.

TROOPS MANEUVER FOR POSITIONS

Chihuahua, Mex., Dec. 12.—Trouble has developed northeast as well as southwest. Troops were sent Sunday to Ojinaga and more will follow, while for many days troops have been pouring into the region southeast of here. Troops, including 120 cavalrymen and ten artillerymen, with rapid firing guns, left here last night over the Orient railway, destined for Ojinaga on the Texas border, where the revolutionists are reported to be in the ascendancy.

The troops sent to Ojinaga have to go to Palomero by train and march from there 100 miles across a desert country to reach and relieve Ojinaga.

Big Battle Expected. Chihuahua remains expected for the battle which has been expected for a week. It is believed from reliable sources that the engagement will occur, according to the present location of the federal and insurrectionary forces, at the Santiago ranch, located midway between the stations of Piedra Blanca and La Junta, on the Mexico North Western railway.

Reinforcements Arrive. Four hundred reinforcements with two field pieces arrived here Sunday on a special train and were sent to join Gen. Navarro, who is within 20 miles of the insurrectos. Both sides are maneuvering to bring about an engagement on advantageous ground.

Gen. Navarro is said to have gained the first important point as he is now in the open country. The insurrectos had hoped to catch him in the mountains, where their knowledge of the country would be an invaluable asset.

The reinforcements arrived here Sunday, and occupied a special train of seven coaches. In the contingent were 20 artillerymen, whose horses followed in a special freight.

Insurrectos Strong. The rebels evidently are attempting to entice the federal forces off the flat country and into the hills. Most conservative estimates place the strength of the insurrectos at 1000 well armed cavalrymen. They are led by a man named Herrera, who was chief machinist in the Mexico North Western shops at the City of Chihuahua. Herrera has shown much sound generalship, and at least has preserved perfect military order. The government troops, all infantry, are said to number no more than 800 men, being led by Gen. Navarro. An engagement in the open is avoided by the insurrectionary command for two reasons: A decisive victory will be of great political importance to the revolutionary attempt, and any such victory would be a blow to the morale of the federalists is not cherished. The Maxims will be almost useless in the hills.

No Bullfight Sunday. There are no bull fights in the City of Chihuahua, and bullfights are banned by the bullfight business continues, but there is little activity.

MILLER INDICTED BY GRAND JURY

Is Held on Charge of Gambling; Herald Gets the Information.

Joe Miller, proprietor of the Hub bar 411 South El Paso street, was arrested Monday afternoon by deputy sheriff Good, on an indictment charging gambling. The bill was returned by the grand jury at the Friday session of last week. Miller was taken to the office of sheriff Edwards in the courthouse, where he made bond.

Information leading to the arrest of Miller was started by Herald representatives who placed a bet at machine Charles E. Peewee, head of the department of justice secret service here, had "tipped off" grand jury secrets were without cause, reason or justification.

Mrs. Christopher told the court Saturday that she had withheld corroborative documents because Dewdney gave the grand jury information to interested parties.

TAMMANY HALL IS SCENE OF FIRE

New York, N. Y., Dec. 12.—Tammany hall "wikwam," the home of the famous political organization known as the Tammany society, was partly destroyed by fire today. The greater part of the damage was caused by water. A dance was given last night by a social club in the ballroom of the hotel and it is supposed a lighted cigar or cigarette left in one of the boxes of the gallery started the blaze.

The damage is estimated at \$25,000.

"An American, E. W. Lawton, was found among the dead. Lawton was a peaceable citizen, 72 years old, and had been a resident of Parral for 45 years. He was a distant relative of the late Maj. Gen. Lawton of the United States army. He was in a hotel when he received his fatal wound, and though the government gave it out that he was accidentally killed by a stray bullet, they insisted on photographing him with a line of dead rebels and throwing his body into a trench, instead of giving the decent burial an innocent victim was entitled to. This incident caused a lot of feeling."